

LIFE INSURANCE ILLUSTRATIONS STATUTE FILING GUIDANCE

During the 2007 legislative session Minnesota enacted **Minnesota Statutes, sections 61A.70 to 61A.745**, which codify the provisions included in the **NAIC Life Insurance Illustrations Model Regulation**. Please note the following with regard to **new filings now required by our Department**:

As required by Minnesota Statutes, section 61A.71, insurers marketing policies to which sections 61A.70 to 61A.745 are applicable shall notify the commissioner **whether a policy form is to be marketed with or without an illustration**:

- **For all policy forms being actively marketed on January 1, 2008**, the insurer shall identify in writing those forms and whether or not an illustration will be used with them.
- **For all policy forms filed after January 1, 2008**, the required identification regarding the use of illustrations must be made at the time of filing. **NOTE: This information must be provided electronically in SERFF in conjunction with the policy filing.** Separate filings will not be accepted.
- Any **previous identification may be changed by written notice** to the commissioner.

Minnesota Statutes, section 61A.74, concerning **annual certifications**, provides that:

- The board of directors of **each insurer must appoint one or more illustration actuaries** who are qualified and meet the requirements in the statute.
- The illustration actuary shall **annually file a certification and various disclosures** pertaining to conformance with **actuarial standards of practice** and compliance with the **requirements of the statute**. This certification must be filed with the board and the commissioner for all policy forms for which illustrations are used and before a new policy form is illustrated. Disclosures relate to certain **changes in scale, illustrated non-guaranteed elements, and methods of allocating overhead expenses**. If an **error in a previous certification** is discovered, the illustration actuary shall notify the board and the commissioner promptly.
- If an illustration actuary is **unable to certify** the scale for any policy form illustration the insurer intends to use, the actuary shall notify the board and the commissioner promptly of the actuary's inability to certify.
- A responsible officer of the insurer, other than the illustration actuary, shall **certify annually** that the **illustration formats** meet the requirements of sections 61A.70 to 61A.745, that the **scales** used in insurer-authorized illustrations are those scales certified by the illustration actuary, and that the company has provided its agents with information about the **expense allocation method** used by the company in its illustrations.
- The annual certifications must be provided to the commissioner each year **by a date determined by the insurer**.
- **If an insurer changes the illustration actuary** responsible for all or a portion of the company's policy forms, the insurer shall notify the commissioner of that fact promptly and disclose the reason for the change.

Except where otherwise indicated above, **notices and illustration actuary appointments and changes**, as well as the **required annual certifications**, are to be emailed to: insurance.actuary@state.mn.us.

To expedite and ensure correct handling of the email transmission, please include the **company name, NAIC number**, and the words **"Illustrations Filing"** in the subject line of the attached cover letter document describing the filing.